



GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service
United States Department of Agriculture



APRIL 16, 2002

Wish List for Grain Truckers Include Stable Fuel Prices, Reasonable Insurance Costs and Higher Freight Rates.

Diesel fuel prices have been up and down during the past year, fluctuating from a national average high of \$1.52 cents per gallon on February 12, 2001, to lows of between \$1.14 to \$1.19 cents per gallon during the first week of December 2001. On April 15, the national average price for diesel fuel was \$1.32 cents per gallon. Grain truckers want to operate in a climate of stable fuel costs. If fuel costs were stabilized, grain truckers could get accustomed to what their fuel expenses will be. Because fuel prices are so volatile, small-to-medium sized grain haulers find it hard to lock in long-term freight business without knowing what fuel costs will be 30 or 60 days out. Many grain truckers have a difficult time trying to recoup increases in fuel costs through surcharges imposed on their customers. Shippers are reluctant, and some even refuse to pay fuel surcharges. Instead, because of abundant competition, shippers will simply take their business to another trucking company that operates without the use of surcharges.

Grain trucking firms and other agriculturally-related businesses report that low freight rates for hauling grain is a big problem for small-to-medium sized carriers. Since trucking deregulation, motor carriers have basically been free to charge what they want to transport grain and other commodities. According to the Federal Highway Administration's Office of Freight Management & Operations, truck freight

charges have not changed significantly over the last ten years, and truck rates are likely to remain steady for the predictable future. Competitive pressures from larger grain carriers, who haul grain at low cost, function to keep smaller truck operations from increasing rates..

Another problem is escalating insurance costs, a serious problem for the entire motor carrier industry but especially for smaller trucking firms. Some agricultural haulers with 15 or 20 trucks operate on slim profit margins. Although truckers had been experiencing escalating insurance costs for about two years prior to September 11, the events of 9-11 exacerbated the premium crisis. The American Trucking Associations (ATA) October 2001 survey revealed that for agricultural haulers who renewed insurance policies after 9-11, the overall increase in premiums was 120 percent compared to 89 percent increase for those who renewed before 9-11.

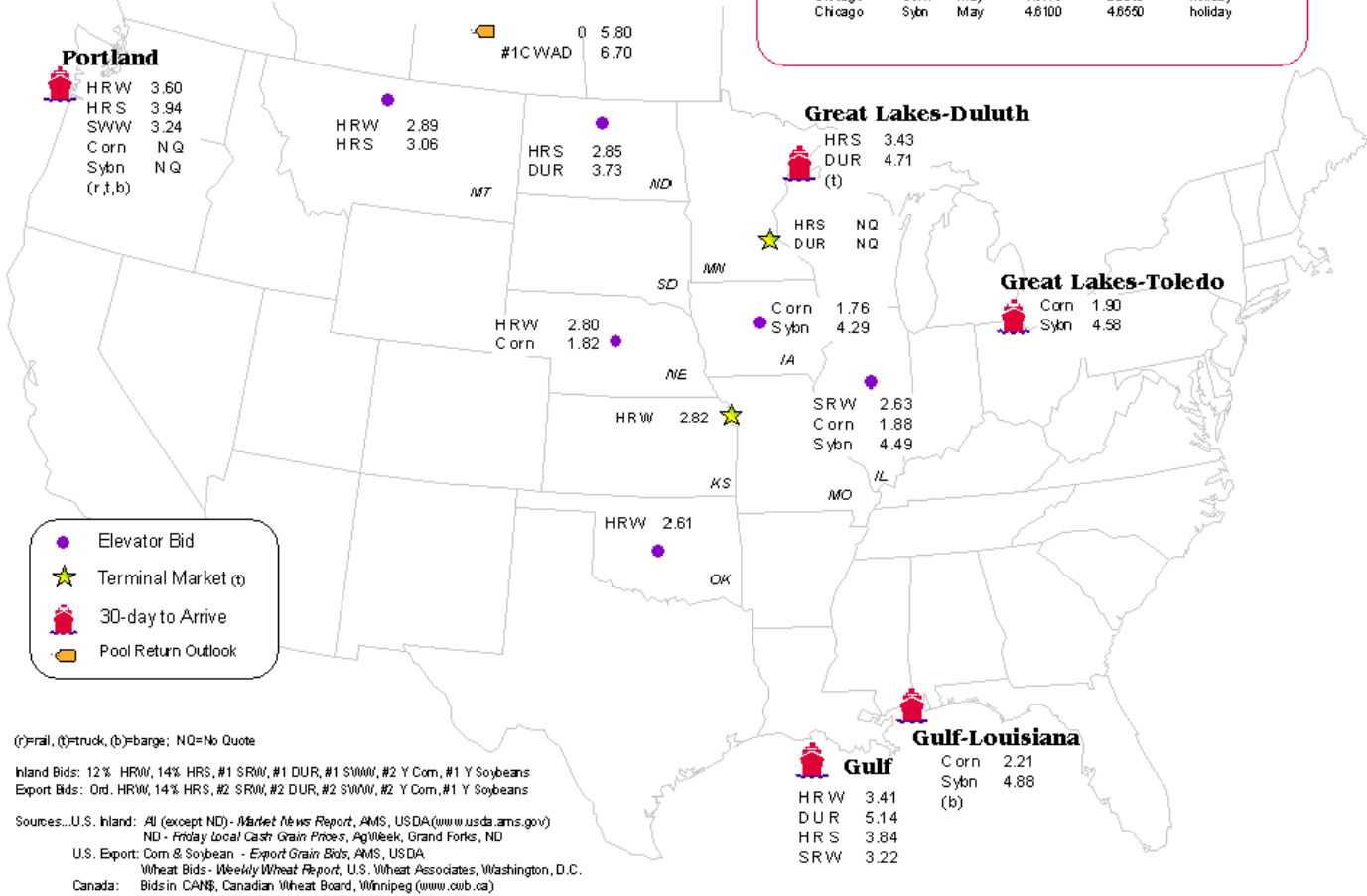
Low freight rates combined with volatile fuel prices and rising insurance premiums are major problems faced by the trucking industry. These issues threaten the very survival of many small-to-medium- sized grain hauling trucking companies. (John Batson, USDA, Transportation Services Program, John.Batson@usda.gov)

employer.

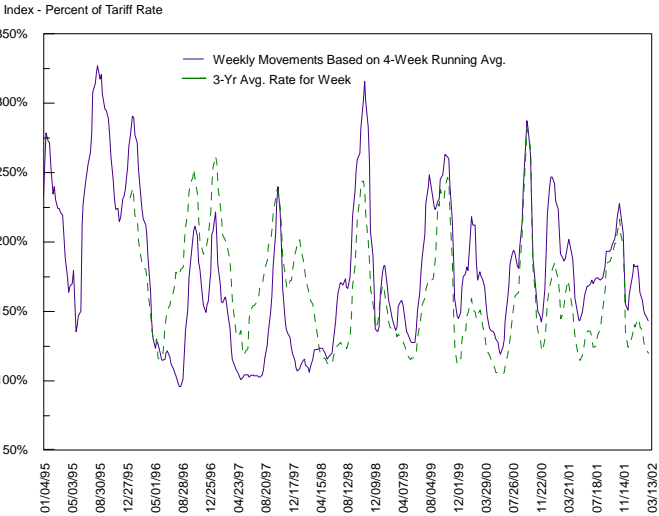
Grain Bid Summary

Futures:

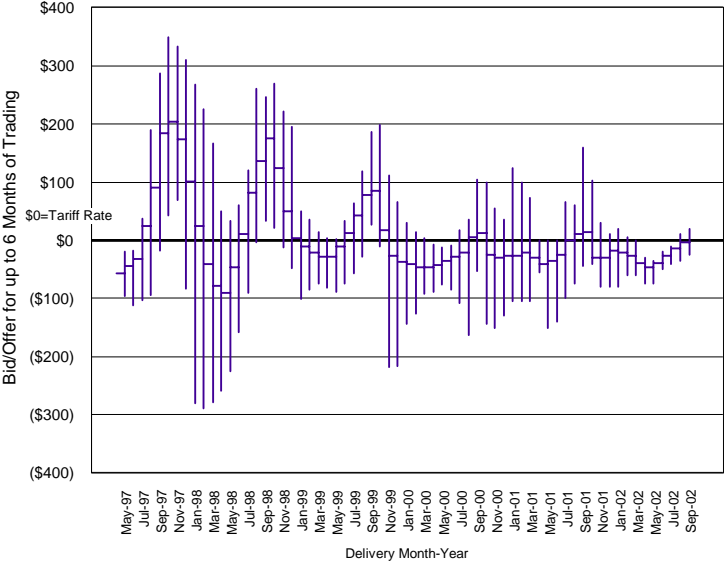
			04/12/2002	Week Ago 04/05/2002	Year Ago 04/13/2001
Kansas City	Wht	May	2.8150	2.9150	holiday
Minneapolis	Wht	May	2.9775	2.9900	holiday
Minneapolis	Dur	Sep	4.5000	4.5000	n.a.
Chicago	Wht	May	2.7250	2.7725	holiday
Chicago	Corn	May	1.9775	2.0050	holiday
Chicago	Sybn	May	4.6100	4.6500	holiday



Spot Barge Rate - Illinois River



Secondary Rail Market Bids



Rail Car 'Auction' Offerings				
Delivery for:	May-02		June-02	
	<u>Offered</u>	<u>% Sold</u>	<u>Offered</u>	<u>% Sold</u>
BNSF-COT	12,735	7%	11,891	5%
UP-GCAS	5,400	2%	5,400	0%
Source: Transportation & Marketing /AMS/USDA; www.bnsf.com; www.uprr.com				

Secondary Rail Car Market

Average Premium/Discount to Tariff, \$/Car - Last Week

	Delivery Period			
	Apr-02	May-02	Jun-02	Jul-02
BNSF-GF	\$(38)	\$(36)	\$(24)	\$(9)
UP-Pool	\$(22)	\$(22)	\$(19)	\$(12)

Source: T&M/AMS/USDA. Data from Atwood/ConAgra., Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.;

GF=Guaranteed Freight, GEEP=Guaranteed Eqpt. Exchange, Pool=Guaranteed Pool

note... bids listed are market INDICATORS only & are NOT guaranteed prices, missing value=No Bid Quoted

Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, \$/Car - Last Auction

Delivery for:	May-02	Jun-02	Jul-02
COT/N. Grain	no bid	no bid	no bid
COT/S. Grain	no bid	no bid	no bid
GCAS/Region 2	no bid	no bid	no offer
GCAS/Region 4	no bid	no bid	no offer

Source: T&M/AMS/USDA. Data from www.bnsf.com, www.uprr.com, (COT=Certificate of Transportation; GCAS=Grain Car Allocation System)

Southbound Barge Freight Nominal/Cash Basis Values

Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

Week ended	River/Region	Contract Period	Rate	
			Futures	Cash
04/15/02	St. Louis	Apr	0	110
		Jun	0	125
		Aug	0	155
		Oct	0	205
		Dec	0	135
	Illinois River	Apr	0	125
		Jun	0	145
		Aug	0	175
		Oct	0	225
		Dec	0	165

Source: St. Louis Merchants Exchange

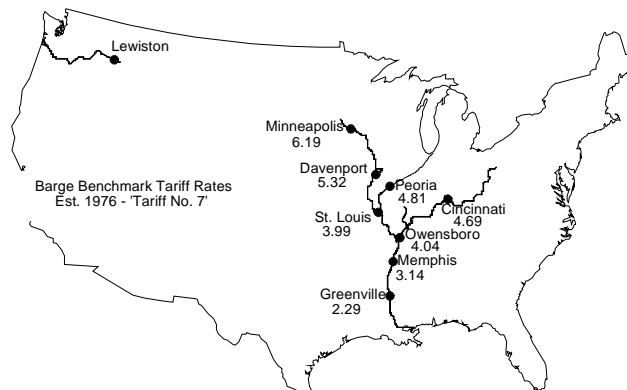
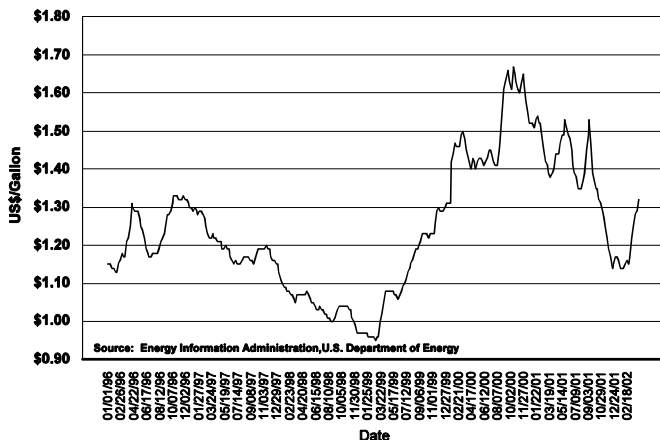
Southbound Barge Freight Spot Rates

	4/10/02	4/3/02	May '02	Jul '02
Twin Cities	167	175	173	189
Mid-Mississippi	137	145	140	164
Illinois River	121	125	130	153
St. Louis	101	106	108	129
Lower Ohio	106	113	114	141
Cairo-Memphis	100	104	107	124

Source: Transportation & Marketing /AMS/USDA

nq=no quote;

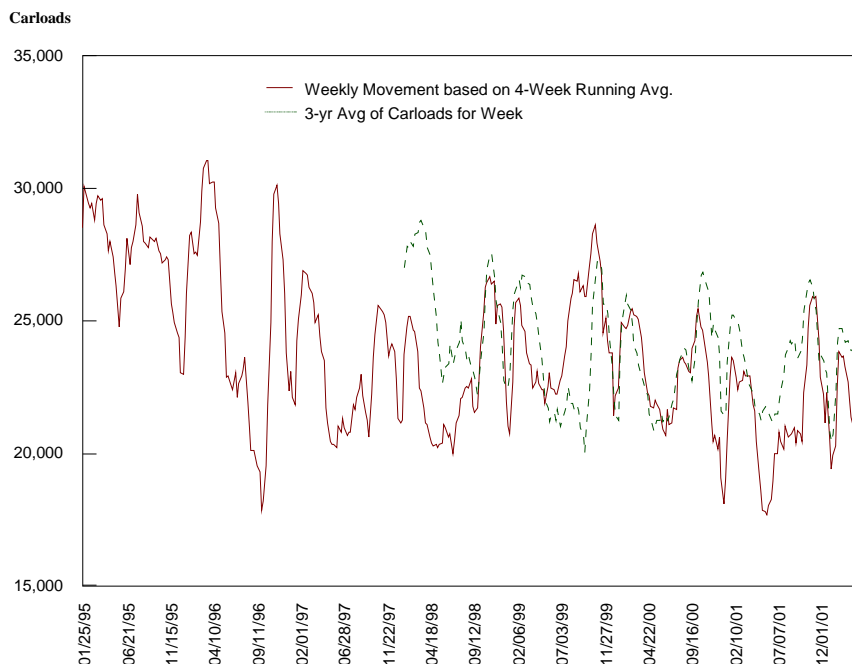
Weekly Retail Diesel (Road) Prices (Including Taxes)



Grain Car Loadings for Class I Railroads

Class I Railroad Grain Car Loadings	
Week Ending:	Carloads
3/23/02	20,260
03/30/02	19,150
04/06/02	20,720
Year to Date - 2002	306,601
Year to Date - 2001	318,641
Total 2001	1,117,601
Total 2000	1,188,917

Source: Association of American Railroads



Class I Rail Carrier Grain Car Bulletin

Grain Carloads Originated

	East		West			Canada	
	CSXT	NS	BNSF	KCS	UP	CN	CP
04/06/02	2606	3,545	6,931	538	7,100	4,356	4,363
This Week Last Year	2,934	0	3,075	9,056	540	7,333	5,011
2002 YTD	41,862	0	44,617	111,183	8,938	95,846	55,743
2001 YTD	46,637	0	44,130	126,671	6,937	94,266	67,435
2001 Total	151,864	163,018	428,603	26,330	347,156	254,982	232,461
2000 Total	147,708	153,905	425,849	26,515	364,785	160,749	239,670

Source: Association of American Railroads

Tariff Rail Rates for Unit Train Shipments

March 2002

Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
04/01/02	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,050	\$22.60	\$0.62
04/01/02	43521	Wheat	Minneapolis, MN	Portland, OR	\$3,877	\$42.74	\$1.16
04/01/02	46540	Wheat	Kansas City, MO	Houston, TX	\$1,650	\$18.19	\$0.50
04/01/02	43586	Wheat	Kansas City, MO	Portland, OR	\$4,347	\$47.92	\$1.30
04/01/02	43581	Wheat	Omaha, NE	Portland, OR	\$4,005	\$44.15	\$1.20
04/01/02	31040	Corn	Minneapolis, MN	Portland, OR	NA	\$0.00	\$0.00
04/01/02	31035	Corn	Kansas City, MO	Portland, OR	\$2,700	\$29.76	\$0.76
04/01/02	31040	Corn	Omaha, NE	Portland, OR	NA	\$0.00	\$0.00
04/01/02	61180	Soybean	Minneapolis, MN	Portland, OR	NA	\$0.00	\$0.00
04/01/02	61180	Soybean	Omaha, NE	Portland, OR	NA	\$0.00	\$0.00
05/01/98	61180	Soybean	Omaha, NE	Portland, OR	\$2,780	\$25.23	\$0.83

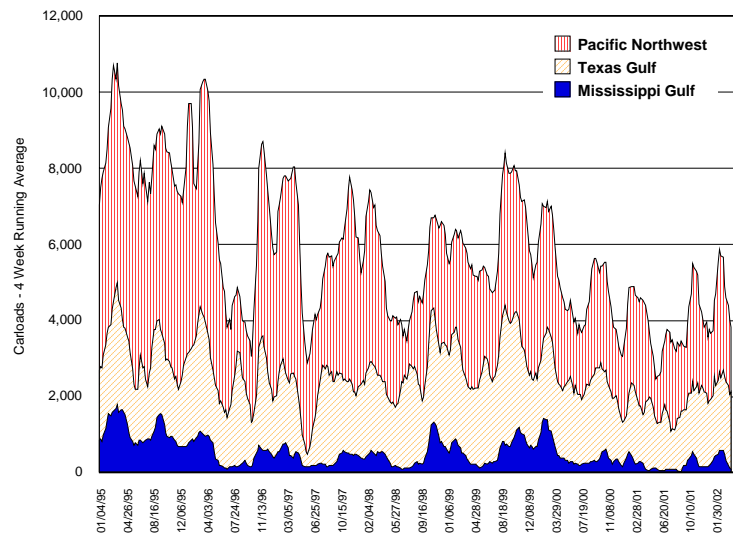
Source: www.bnsf.com

Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

Rail Deliveries to Port**Carloads**

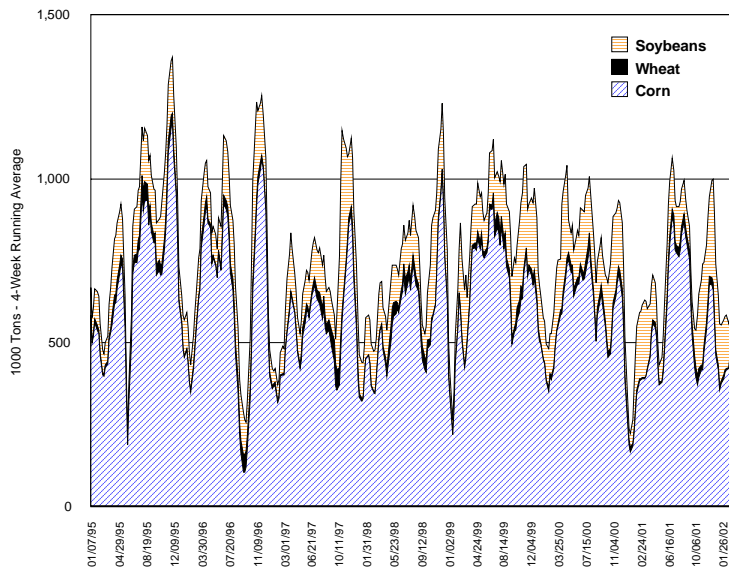
	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf
Week Ending:				
02/20/02	609*	2,165	2,518	875
02/27/02	300*	2,200	2,518	380
03/06/02	264*	1,748	1,864	349
03/13/02	134*	2,099	1,984	279
03/20/02	101*	2,341	2,073	236
03/27/02	2*	1,526*	2,040	638
YTD 2002	4,747*	25,961*	31,426	8,631
YTD 2001	4,281	19,963	33,885	11,553
Total 2001	10,022	81,804	111,376	26,604
Total 2000	25,767	104,473	128,414	14,816

Source: Transportation & Marketing/AMS/USDA

Rail Deliveries to Port

(*) Incomplete Data

(**) Identical figures are correct

Barge Movements - Locks 27**Barge Grain Movements**

for week ending 4/13/02

	Corn	Wht	Sybn	Total
	1,000 Tons			
Mississippi River				
Rock Island, IL (L15)	260	6	93	367
Winfield, MO (L25)	513	6	143	664
Alton, IL (L26)	744	28	191	963
Granite City, IL (L27)	758	33	188	979
Illinois River (L8)	186	5	47	240
Ohio (L52)	48	7	14	100
Arkansas (L1)	0	43	5	48
2002 YTD	9,338	627	3,288	13,882
2001 YTD	7,523	582	3,325	12,152
Total 2001	31,878	2,679	10,616	47,091
Total 2000	33,482	2,518	10,327	48,247

Miss YTD: Calendar year totals include Miss/27, Ohio/52 and Ark/1.

Source: U.S. Army Corp of Engineers; L15 & L25 closed for winter.

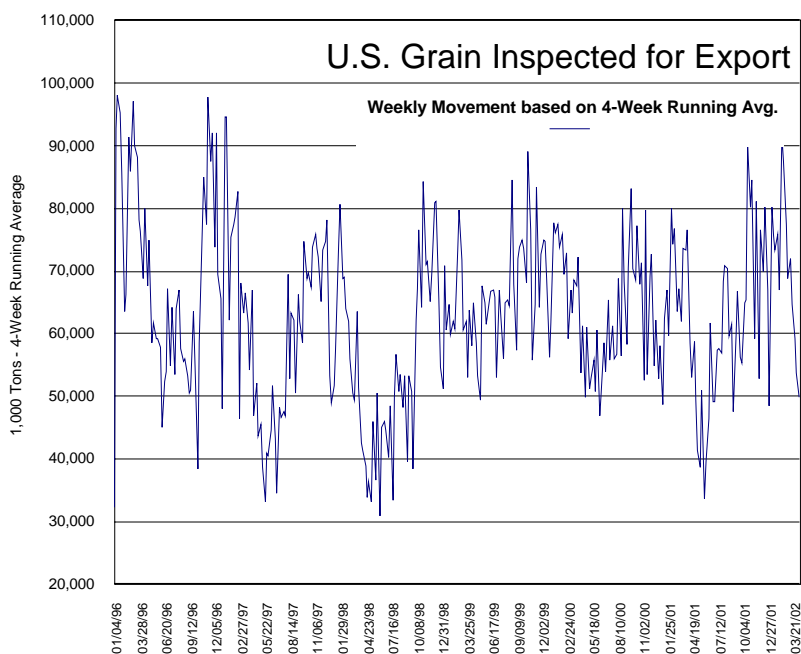
U.S. Export Balances (1,000 Metric Tons)

	<i>HRW</i>	<i>SRW</i>	<i>HRS</i>	Wheat <i>SWW</i>	<i>DUR</i>	<i>All</i>	Corn	Soybean	Total
<u>Unshipped Exports-Crop Year</u>									
04/04/02	1,211	865	823	472	138	3,509	6,564	2,983	13,056
This Week Year Ago	1,132	499	910	605	268	3,415	5,618	2,477	11,510
<u>Cumulative Exports-Crop Year</u>									
01/02 YTD	7,302	4,708	4,706	2,720	1,025	20,460	27,022	23,267	70,749
00/01 YTD	7,903	3,802	4,819	4,462	954	21,940	27,834	17,713	67,487
99/00 Total	9,858	4,710	6,305	5,413	1,232	27,518	37,220	24,516	89,254
98/99 Total	7,387	3,645	7,864	6,105	963	25,965	44,476	24,501	94,942

Source: Foreign Agricultural Service YTD-Year-to-Date (www.fas.usda.gov) Crop Year:Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31**Select U.S. Port Regions - Grain Inspections for Export - 1,000 Metric Tons**

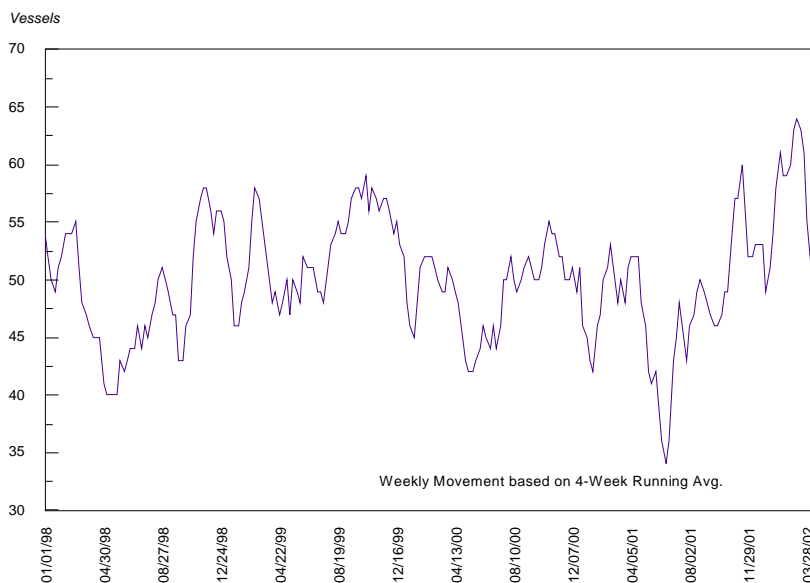
	<u>Pacific Region</u>			<u>Mississippi Gulf</u>			<u>Texas Gulf</u>		
	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>
04/11/02	53	148	13	134	595	184	120	36	17
2002 YTD	2,434	1,503	883	1,595	10,196	7,023	1,852	99	699
2001 YTD	2,878	1,450	1,152	1,590	8,819	6,632	1,558	146	713
% of Last Year	24%	25%	52%	24%	29%	39%	27%	21%	69%
1998 Total	10,838	4,373	651	5,048	31,330	14,917	7,270	562	1,392

Source: Federal Grain Inspection Service YTD-Year-to-Date

**Select Canadian Ports - Export Inspections**
1,000 Metric Tons, Crop Year

	<u>Wheat</u>	<u>Durum</u>	<u>Barley</u>
Week Ended: 03/28/02			
Vancouver	4,323	266	390
Prince Rupert	888	0	0
Prairie Direct	365	303	257
Thunder Bay	294	191	45
St. Lawrence	2,436	1,391	0
2001 YTD Exports	8,306	2,151	692
2000 YTD Exports	8,228	2,059	1,197
% of Last Year	101%	104%	58%

Source: Canadian Grains Commission, Crop year 8/1-7/31



**Gulf Region
Vessels Loaded
- Past 7 Days-**

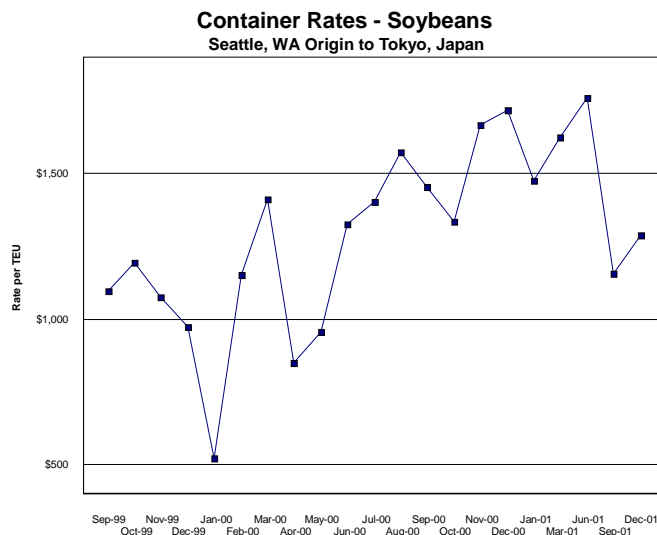
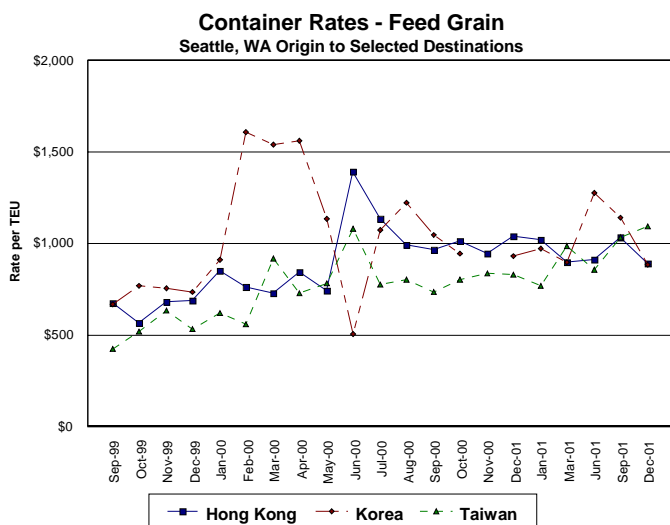
Port Region Ocean Grain Vessels

	Gulf			Pacific Northwest			Vancouver, B.C.		
	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>
04/04/02	29	47	53	5			4	3	0
04/11/02	40	52	51	5			2	4	1
2001 Range	(13..65)	(28..64)	(46..81)	(1..18)			(4..20)	(3..14)	(0..7)
2000 Range	(23..50)	(34..57)	(47..83)	(4..15)			(4..20)	(5..19)	(0..9)
2001 Avg	36	48	63				12	8	3
2000 Avg	36	49	65				11	9	3
1999 Avg	32	52	65				10	9	3

Source: Transportation & Marketing /AMS/ USDA

Container Ocean Freight Rates

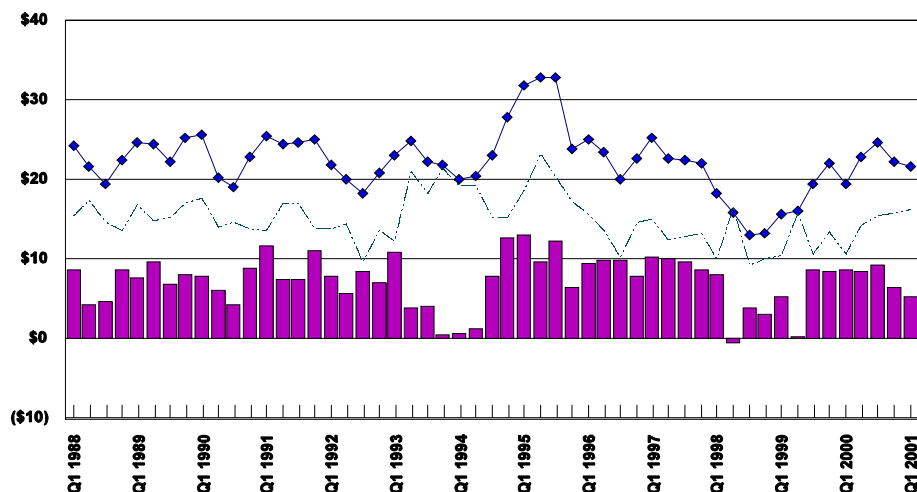
Monthly Weighted Averages Based on Shipping Line Monthly Mkt. Share



Source: Transportation & Marketing/AMS/USDA

◆ Rate - Gulf to Japan
 --- Rate - PNW to Japan
 ■ Spread - Gulf vs. PNW to Japan

US\$/Metric Ton



Quarterly Ocean
Freight Rates

Quarterly Ocean Freight Rates

Average Rates & Percentage Changes, U.S. Dollars/Metric Ton - Basis

	2001 4 th Qtr	2000 4 th Qtr	% Change		2001 4 th Qtr	2000 4 th Qtr	% Change
Gulf to				Pacific NW to			
Japan	\$16.25	\$22.38	-27%	Japan	\$9.64	\$15.87	-39%
Mexico		\$13.39	-	Red Sea/ Arabian Sea		\$26.70	-
Venezuela		\$13.29	-				
N. Europe	\$11.73	\$14.96	-22%	Argentina to			
N. Africa	\$16.98	\$22.26	-24%	Med. Sea	\$17.47		-
Med. Sea	\$10.58	\$15.19	-30%	N. Europe	\$16.22	\$18.97	-14%
				Japan	\$26.33		-

Source: Transportation & Marketing/AMS/USDA; (*) rates shown are for metric ton (2,204.62 lbs.=one metric ton)

Ocean Freight Rates (Select Locations) - week ending 4/13/02

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)
Gulf	Egypt	Wheat	Apr 15/25	55,000	\$12.25
Gulf	Egypt	Heavy Grain	Apr 15/20	60,000	\$12.50
Gulf	Taiwan	Heavy Grain	May 14/24	56,000	\$20.00
Gulf	Japan	Heavy Grain	May 1/10	54,000	\$20.85
Gulf	Japan	Heavy Grain	May 1/10	54,000	\$20.00
N. Pacific	Japan	Heavy Grain	Apr 20/30	54,000	\$11.75
Ukraine	Spain	Wheat	Apr 9/15	38,000	\$9.75
Thailand	Syria	Rice (bag.)	Apr 10/15	12,500	\$40.50
Thailand	Syria	Rice (bag.)	Apr 10/15	12,500	\$36.00

Source: Maritime Research Inc.; rates shown are for long ton (2,240 lbs.=one long ton), F.O.B., except where otherwise indicated; op=option